

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
THE DEPARTMENT OF THE INTERIOR, 1940

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE DEPARTMENT OF THE INTERIOR FOR THE FISCAL YEAR 1940 IN THE AMOUNT OF \$1,250,000

FEBRUARY 17, 1939.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, February 16, 1939.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the Department of the Interior, for the fiscal year 1940, in the amount of \$1,250,000.

The details of this estimate, the necessity therefor, and the reason for its transmission at this time are set forth in the letter from the Bureau of the Budget, which is transmitted herewith.

Respectfully,

FRANKLIN D. ROOSEVELT.

BUREAU OF THE BUDGET,
Washington, February 11, 1939.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the Department of the

Interior, for the fiscal year 1940, in the amount of \$1,250,000, as follows:

OFFICE OF INDIAN AFFAIRS

Reindeer Industry, Alaska: For the purchase, in such manner as the Secretary of the Interior shall deem advisable and without regard to sections 3709 and 3744 of the Revised Statutes, of reindeer, abattoirs, cold storage plants, corrals and other buildings, and communication and other equipment, owned by non-natives in Alaska, as authorized by the Act of September 1, 1937 (50 Stat. 900), \$1,020,000; and for necessary administrative expenses in connection with such purchase and the establishment and development of the reindeer industry for the benefit of the Eskimos and other natives of Alaska, as authorized by said Act, including personal services in the District of Columbia (not to exceed \$2,300) and elsewhere, traveling expenses, erection, repair and maintenance of corrals, fences, and other facilities, \$230,000; in all, to be immediately available, and to be accounted for as one fund (27 Stat. 590; 48 U. S. C. 39, 50c; 50 Stat. 900-902; 52 Stat. 313) ----- \$1,250,000

The estimate contemplates the purchase of all non-native-owned reindeer estimated to number 180,000 at an average price of \$5 each or \$900,000; the purchase of all non-native-owned abattoirs, cold-storage plants, corrals, and other buildings and equipment within an estimated price of \$120,000; provision for the expense of effecting 2 round-ups for each of the 25 known herds, including the expense of erecting corrals, chutes, and other facilities, totaling \$130,000; the employment of 200 native herders on an annual basis with salaries ranging from \$360 to \$540 and aggregating \$79,200; and expenditures for administrative personnel and expenses in the amount of \$20,800, which sum is in addition to the \$35,500 already included in the 1940 Budget for similar purposes.

Last year the Secretary of the Interior submitted an estimate for \$1,000,000 for expenditures during the fiscal year 1939 in carrying into effect the authorizations contained in the act of September 1, 1937. After hearing the departmental representatives at length, an estimate of \$1,000,000 was included in the 1939 Budget. This estimate occupied the attention of members of both the House and Senate Appropriations Committees for a considerable period.

In reporting the Interior Department appropriation bill, fiscal year 1939, to the House, the committee, in its report, said:

The committee went into this item fully and after careful consideration of the testimony given, concluded that sufficient information was not available to warrant the recommendation of the amount contained in the estimate. No accurate information was obtainable as to the total number of reindeer in Alaska, nor was the committee advised that a careful appraisal had been made of the properties to be secured from persons now engaged in the reindeer industry in Alaska. Nor was any definite plan presented as to the distribution and use of the reindeer which were to be acquired. In view of the lack of information, the committee has recommended deferment of the program recommended by the Budget * * *. (H. Rept. 1855, 75th Cong., pp. 11-12.)

The committee, however, inserted an item in the bill providing funds for further investigating the question. As finally approved, the item reads as follows:

Reindeer industry, Alaska: For a survey and appraisal of the property and reindeer authorized to be acquired for the natives of Alaska under the provisions of the act approved September 1, 1937 (50 Stat. 900), to be made under the direction and supervision of a committee of three, which is hereby created to be appointed by the chairmen of the Committees on Appropriations of the Senate and House of Representatives acting jointly, \$25,000, to be immediately available.

Such chairmen shall fix the pay of the members of the committee and shall designate one to act as chairman. Vacancies occurring in the membership thereof shall be filled in the same manner as the original appointments. The committee is authorized to employ personnel in the District of Columbia and elsewhere without regard to civil-service laws and regulations and to fix the compensation thereof without respect to the Classification Act of 1923, as amended, and to make such expenditures as may be necessary for equipment, travel, supplies, materials, printing, binding, rent, the purchase, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles and the hire thereof, and for such other purposes in connection herewith as they may determine essential. In connection with the purposes of this paragraph, such chairmen may call for the furnishing of assistance from any Federal agency operating in Alaska and such agencies are hereby authorized and directed to respond cooperatively to any such request. Members of the committee and employees thereof shall be allowed per diem in lieu of actual expenses of subsistence when traveling on official business at rates not in excess of those allowable under the provisions of the Standardized Government Travel Regulations and the Subsistence Expense Act of 1926, as amended, and shall be regarded as in a travel status while stationed in Alaska (Public, 497, 75th Cong., p. 25).

An additional \$25,000 for the proposed investigation was provided in the Second Deficiency Appropriation Act, fiscal year 1938 (Public 723, 75th Cong., p. 21).

In due time the special committee was appointed, and on June 10, 1938, left Washington, D. C., en route to Alaska. Members of the committee arrived in Nome on June 22 and departed from that town to return to the United States on August 19, 1938. Of the 58 days spent in Alaska, 36 were spent in the field studying the situation as to both reindeer and their owners. Upon its return, the committee compiled its report and that report was filed on January 30, 1939, with the respective chairmen of the House and Senate Appropriations Committees.

The committee's report recommended that funds be provided for the fiscal year 1940 in the following amounts:

(1) Purchase of reindeer.....	\$900, 000
(2) Purchase of equipment, plants, etc.....	120, 000
(3) Administrative expenses.....	150, 000
(4) Development of personnel, maintenance, employment, etc.....	150, 000
(5) Experiment station.....	50, 000
Total.....	1, 370, 000

An estimate of appropriation in the amount of \$1,370,000 was submitted to this office by the Department of the Interior on February 3, 1939, and a hearing thereon was held February 4. All of the members of the committee, and numerous departmental representatives, were present at the hearing.

The difference of \$120,000 between the estimate as submitted by the Secretary of the Interior and the amount of the estimate herein recommended for transmission to the Congress is due to—

A reduction in the amount for administrative expenses (item 3).....	\$20, 000
The omission of an amount already included in the 1940 Budget (item 4).....	35, 500
A reduction in the amount for development of personnel, maintenance, employment (item 4).....	14, 500
The omission of funds for the experiment station (item 5).....	50, 000
Total.....	120, 000

From evidence presented to Congress and to the Bureau of the Budget during the last 4 years, it is evident that no one knows the number of reindeer owned by nonnatives in Alaska. Estimates have varied from 500,000 to 180,000, the latter estimate being that of the

committee which filed its report shortly after declarations had been made by nonnative owners pursuant to section 3 of the act approved September 1, 1937, as to the number of reindeer owned by them, and the former estimate being that of the 48 nonnative owners as shown by their filed declarations. The situation is further complicated by the fact that a majority of the nonnative owners claim reindeer located on more than one range, it being stated at last year's hearing before the Senate Appropriations Committee that one owner claimed stock located on 24 different ranges. Another serious problem is caused by the failure by certain nonnative owners to mark their deer, with a consequent intermingling of these deer with native-owned herds. It is quite possible, therefore, that these and other reindeer problems may require for their solution operations that will extend over a number of years and involve larger expenditures than are contemplated by the present estimate of appropriation.

This estimate was not included in the 1940 Budget, since the report of the reindeer committee was not available when the Budget was in preparation.

Very respectfully,

F. J. BAILEY,
Executive Assistant,
(For and in the absence of the Acting Director).

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